

Administration of Barack H. Obama, 2009

Remarks at a Townhall Meeting and a Question-and-Answer Session in Green Bay, Wisconsin

June 11, 2009

The President. Thank you, Green Bay. It's good to see you. Thank you. Please, everybody, have a seat. Thank you. It is great to be back in Green Bay. We are hoping that both the Packers and the Bears do better this year. Come on, we can bring everybody together.
[*Laughter*]

I want to make just a few acknowledgments; we've got some wonderful special guests here today. First of all, can everybody please give Laura a huge round of applause for sharing her story? I want to thank our hosts, Principal Bryan Davis and his beautiful family and Superintendent Greg Maass; please give them a big round of applause. Your outstanding Governor, Jim Doyle, is here; give him a big round of applause. Lieutenant Governor Barbara Lawton is here; give Barbara a big round of applause. Congressman Steve Kagen is here, Congressman. Your own mayor, Jim Schmitt, and Milwaukee Mayor Tom Barrett is here as well.

I want to thank all the tribal leaders of Wisconsin who are with us here today. And they couldn't be with us, but I want to acknowledge great leadership that you're getting in the United States Senate from Herb Kohl and Russ Feingold; give them a big round of applause.

This is a townhall meeting, but if you don't mind, I want to make a few comments at the outset, sort of to frame the discussion, and then we'll get to the fun part, and you guys can bombard me with questions.

As I said, I want to thank Southwest High School for hosting us. I especially want to thank Laura for sharing her story. It takes courage to do that, and it takes even more courage to battle a disease like cancer with such grace and determination. And I know her family is here, and they're working and fighting with her every inch of the way.

Now, Laura's story is incredibly moving, but sadly, it's not unique. Every day in this country, more and more Americans are forced to worry about not just getting well, but whether they can afford to get well. Millions more wonder if they can afford the routine care necessary to stay well. Even for those who have health insurance, rising premiums are straining family budgets to the breaking point, premiums that have doubled over the last 9 years and have grown at a rate three times faster than wages. Let me repeat that. Health care premiums have gone up three times faster than wages have gone up. So desperately needed procedures and treatments are put off because the price is too high, and all it takes is a single illness to wipe out a lifetime of savings.

Now, employers aren't faring any better. The costs of health care has helped leave big corporations like GM and Chrysler at a competitive disadvantage with their foreign counterparts. For small businesses, it's even worse. One month, they're forced to cut back on health care benefits. The next month, they've got to drop coverage. The month after that, they have no choice but to start laying off workers.

For the Government, the growing cost of Medicare and Medicaid is the biggest threat to our Federal deficit, bigger than Social Security, bigger than all the investments that we've

made so far. So if you're worried about spending, and you're worried about deficits, you need to be worried about the costs of health care.

We have the most expensive health care system in the world, bar none. We spend almost 50 percent more per person on health care than the next most expensive nation—50 percent more. But here's the thing, Green Bay: We're not any healthier for it; we don't necessarily have better outcomes. Even within our own country, there are a lot of the places where we spend less on health care, but actually have higher quality than places where we spend more. And it turns out Green Bay is a good example. Right here in Green Bay, you get more quality out of fewer health care dollars than many other communities across this country. This is something to be proud of. That's something to be proud of. I want to repeat that. You spend less; you have higher quality here in Green Bay than in many parts of the country. But across the country, spending on health care keeps on going up and up and up, day after day, year after year.

Now, I know that there are millions of Americans who are happy, who are content with their health care coverage. They like their plan; they value their relationship with their doctor. And no matter how we reform health care, I intend to keep this promise: If you like your doctor, you'll be able to keep your doctor; if you like your health care plan, you'll be able to keep your health care plan.

So don't let people scare you. If you like what you've got, we're not going to make you change. But in order to preserve what's best about our health care system, we have to fix what doesn't work. For we've reached the point where doing nothing about the cost of health care is no longer an option. The status quo is unsustainable. If we don't act, and act soon, to bring down costs, it will jeopardize everybody's health care. If we don't act, every American will feel the consequences in higher premiums—which, by the way, means lower take-home pay, because it's not as if those costs are all borne by your employer; they—that's money that could have gone to giving you a raise—in lost jobs and shuttered businesses, in a rising number of uninsured, and a rising debt that our children and their children will be paying off for decades.

If we do nothing, within a decade we will be spending 1 out of every \$5 we earn on health care. And in 30 years, we'll be spending 1 out of every \$3 we earn on health care. And that's untenable. It's unacceptable. I will not allow it as President of the United States. Now, health care reform is not something I just cooked up when I took office. Sometimes I hear people say, "He's taking on too much. Why is he"—I'm not doing this because I don't have enough to do. *[Laughter]* We need health care reform because it's central to our economic future. It's central to our long-term prosperity as a nation. In past years and decades, there may have been some disagreement on this point, but not anymore. Today, we've already built an unprecedented coalition of people who are ready to reform our health care system: physicians and health insurers, businesses and workers, Democrats and Republicans.

A few weeks ago, some of these groups committed to doing something that would've been unthinkable just a few years ago: They promised to work together to cut national health care spending by \$2 trillion over the next decade. And that will bring down costs; it will bring down premiums. That's exactly the kind of cooperation we need.

But the question now is, how do we finish the job? How do we permanently bring down costs and make quality, affordable health care available to every single American? And my view is that reform should be guided by a simple principle: We will fix what's broken, and we build on what works.

In some cases there's broad agreement on the steps we should take. So in our Recovery Act that we already passed——

[At this point, two-year-old Grant Perry waved his cap at the President.]

Hey, buddy—my guy in the cap, he was waving at me. *[Laughter]*

In the Recovery Act, we've already made investments in health IT—that's information technologies—and electronic medical records that will reduce medical errors, save lives, save money, and still ensure privacy. We also need to invest in prevention and wellness programs to help Americans live longer and healthier lives. But the real cost savings will come from changing the incentives of a system that automatically equates expensive care with better care. We've got to move from addressing—we've got to address flaws that increase profits but don't actually increase the quality of care for patients.

We have to ask why places like Geisinger Health systems in rural Pennsylvania or Intermountain Health in Salt Lake City or communities like Green Bay can offer high-quality care at costs well below average, but other places in America can't. We need to identify the best practices across the country, learn from the successes, and then duplicate those successes everywhere else.

And we should change the warped incentives that reward doctors and hospitals based on how many tests and procedures they do, even if those tests and procedures aren't necessary or result from medical mistakes. Doctors didn't get into the medical profession to be counters—bean-counters or paper-pushers. They're not interested in spending all their time acting like lawyers or business executives. They became doctors to heal people, and that's what we have to free them to be able to do.

We also have to provide Americans who can't afford health insurance more affordable options. That's a economic imperative, but it's also a moral imperative, because we know that when somebody doesn't have health insurance, they're forced to get treatment at the ER and all of us end up paying for it. The average family pays a thousand dollars in extra premiums to pay for people going to the emergency room who don't have health insurance. So you're already subsidizing other folks; it's just you're subsidizing the most expensive care. You'd be better off subsidizing to make sure they were getting regular checkups. We're already paying for it; it's just it's hidden in your premiums.

So what we're working on is the creation of something called the Health Insurance Exchange, which would allow you to one-stop shop for a health care plan, compare benefits and prices, choose the plan that's best for you. If you're happy with your plan, you keep it. None of these plans, though, would be able to deny coverage on the basis of preexisting conditions.

Every plan should include an affordable, basic benefits package. And if you can't afford one of these plans, we should provide you some assistance to make sure that you can. So I also strongly believe that one of the options in the exchange should be a public insurance option. And the reason is not because we want a Government takeover of health care—I've already said, if you've got a private plan that works for you, that's great—but we want some competition. If the private insurance companies have to compete with a public option, it'll keep them honest, and it'll keep—help keep their prices down.

Now, covering more Americans is obviously going to require some money up front. We'll save money when they stop going to the emergency room and getting regular checkups, but it's

going to cost some money up front. Helping families lower their costs, there's going to be a cost to this, and it comes at a time when we don't have a lot of extra money to spend, let's be honest. When I came in, we had a \$1.3 trillion deficit. And with the economic recession that we're going through, tax revenues are down—I was talking to Governor Doyle—tax revenues are down; more people are seeking help from the State. So we've got a lot of pressure on our budget.

So that's why I've already promised that reform cannot add to our deficit over the next 10 years. And to make that happen, we've already identified hundreds of billions of dollars worth of savings in our budget, savings that will come from steps like reducing Medicare overpayments to insurance companies and rooting out waste and fraud and abuse in both Medicare and Medicaid. And I'll be outlining hundreds of billions of dollars more in savings in the days to come. And I'll be honest, even with these savings, reform will require some additional upfront resources. And that's why I've proposed that we scale back how much the highest income Americans can deduct on their tax—taxes back—take it back to the rate that existed under the Reagan years, and we could use some of that money to help finance health care reform.

Now, in all these reforms, our goal is simple: the highest quality health care at the lowest possible cost. Let me repeat what I said before. We want to fix what's broken, build on what works. As Congress moves forward on health care legislation in the coming weeks, there are going to be different ideas and disagreements about how to achieve this goal. And I welcome all ideas; we've got to have a good debate. What I will not welcome, what I will not accept, is endless delay or denial that reform needs to happen.

Because when it comes to health care, this country can't continue on its current path. I know that there are some who will say that it's too expensive. I know some people say it's too complicated. But I can assure you the cost of doing nothing is going to be a lot higher in the years to come. Our deficits will be higher. Our premiums will keep going up. Our wages will be lower. Our jobs will be fewer. Our businesses will suffer.

So to those who criticize our efforts, I ask them, "What's the alternative? What else do we say to all the families who spend more on health care than on housing or on food? What do we tell those businesses that are choosing between closing their doors and letting their workers go? What do we say to Americans like Laura, a woman who has worked all her life, whose husband has worked, whose family has done everything right, a brave and proud woman whose child's school recently took up a penny drive to help pay her medical bills? What do we tell them?"

Here's what I'm going to tell them. That after decades of inaction, we have finally decided to fix what's broken about health care in America. We have finally decided it's time to give every American quality health care at an affordable cost. We have decided to invest in reforms that will bring costs down now. We've decided to bring costs down now and in the future. And we've decided to change the system so that our doctors and health care providers are free to do what they trained and studied and worked so hard to do: to make people well again. That's what we can do in this country right now, at this moment. So I don't want to accept "no" for an answer. We need to get this done, but I'm going to need your help. That's why I want your thoughts, your questions on this and any other issues.

Thank you very much, Green Bay. God bless you. Thank you. All right. Thank you.

All right. Okay. Here's what we're going to do. I've got about 15, 20 minutes. Everybody sit down. [Laughter] And here's how we're going to work it. There are no prearranged questions here. You just raise your hand. I haven't preselected anybody. I'm going to go girl-boy-girl-boy—[laughter]—so that I'm not accused of bias in any way, all right. And I won't be able to get to every single question, but I'll try to get to as many as possible.

So there are microphones in the audience. If you can wait until the microphone comes to you, and that way everybody will be able to hear your question. Stand up and introduce yourself as well; that will be helpful.

This young lady right here, right here, since you're near a microphone. There you go.

Overhaul of Health Care System

Q. Good afternoon, Mr. President. I am Paulette Garren. As a self-employed individual, I spend approximately \$8,000 annually on my health insurance premium, and it's a \$2,000 deductible, no dental, no vision, no prescription coverage. As my business is declining and because of the economy we have, I am now in a situation where I'm taking savings to help pay for food and housing, because I also still don't want to lose my health insurance. And I will be frank and honest with you, I am a supporter of a single-payer system over any other system, because I do—[applause]—thank you—I do believe that it will meet your three criteria and be the most economically feasible plan that we have.

When you were speaking, you mentioned that if we go with a public and a private option, that the public option will keep the private insurers honest. My concern is that we will end up in a situation like we have with Medicare, where Medicare is basically a subsidy of private insurance companies, because folks are able to buy Medicare Advantage. It seems to me that we would take that same scenario and increase it outward for the entire country. And that is why I still support single-payer, and I know that at one point you did, and I would ask that it still be on the table for consideration. And thank you so much for your time.

President Obama. All right. Thank you for the great question.

Let me just talk about some of the different options that are out there, because sometimes there's been confusion in the press and the public, and people use, you know, politics in talking about the issue. There are some folks who say, "socialized medicine." You hear that all the time, "socialized medicine." Well, socialized medicine would mean that the Government would basically run all of health care. They would hire the doctors; they would run the hospitals. They'd just run the whole thing. Great Britain has a system of socialized medicine. Nobody is talking about doing that, all right? So when you hear people saying "socialized medicine," understand I don't know anybody in Washington who is proposing that, certainly not me.

Socialized medicine is different from a single-payer plan. Now, the way a single-payer plan works is that you still have private doctors, private hospitals, providers, et cetera, but everything is reimbursed through a single payer, usually the Government. So Medicare would be an example of a single-payer plan. Doctors don't work for Medicare, but Medicare reimburses for services that are provided to seniors who are on Medicare. There have been proposals to have, essentially, Medicare for all, a single-payer plan for all Americans, and—[applause]—that person likes it. [Laughter] So there have—and there are some appealing things to a single-payer plan, and there are some countries where that's worked very well.

Here is the thing. We're not starting from scratch. We've already got—because of all kinds of historical reasons, we have primarily a employer-based system that uses private insurers

alongside a Medicare plan for people above a certain age, and then you've got Medicaid for folks who are very poor and don't have access to health care. So we've got sort of a patchwork system. And it was my belief and continues to be my belief that whatever we might do if we were just starting from scratch, that it was important, in order to get it done politically but also to minimize disruptions to families, that we start with what we have, as opposed to try to completely scrap the system and start all over again.

And so what my attitude was, if you've got an employer-based system—and a lot of people still get their health insurance through their jobs—obviously, you're self-employed, so this is a different category, but the majority of people still get their health insurance through their employer. Rather than completely disrupt things for them, my attitude is, let them keep the health insurance that they've got, the doctors that they have. There's still a role for private insurance, but number one, let's have insurance reform so that you can't eliminate people for preexisting conditions, so that there's none of the cherry picking that's going on to try to just get the healthiest people insured and get rid of the sick people. Right? So you've got to set up some rules for how insurance companies operate.

Number two, that for people who are self-employed, for small businesses, for others, they should have an option that they can go to if they can't get insurance through the private marketplace. That's why I've said that I think a public option would make sense. What that then does is it gives people a choice. If they're happy with what they've got, if they're employed by somebody who provides them with good health care, you can keep it; you don't have to do anything. But if you don't have health insurance, then you have an option available to you.

Now, how this debate is evolving in Washington, unfortunately, sometimes kind of falls into the usual politics, right? So what you've heard is some folks on the other side saying, "I'm opposed to a public option because that's going to lead to Government running your health care system." Now, I don't know how clearly I can say this, but let me try to repeat it. If you've got health insurance that you're happy with through the private sector, then we're not going to force you to do anything. All we're saying is, for the 46 million people who don't have health insurance or for people who've got health insurance, like you, who are self-employed but the premiums and the deductibles are so high that you almost never get prevention services—you put off going to a doctor until you're really sick because of the out-of-pocket expenses—let's change some of those incentives so that we get more people getting prevention, more people getting health care to keep them healthy, as opposed to just treating them when they get sick.

And I think that we can come up with a sensible, commonsense way that's not disruptive, that still has room for insurance companies and the private sector, but that does not put people in the position where they are potentially bankrupt every time they get sick. Now, how this debate is going to evolve over the next 8 weeks—I'm very open-minded. And if people can show me, here's a good idea and here's how we can get it done, and it's not something I've thought of, I'm happy to steal people's ideas. *[Laughter]* I'm not ideologically driven one way or another about it.

So the one thing that I do think is critically important, though, is for self-employed people—because there are a lot of self-employed people here and a lot of small-business people—they don't have the ability to pool their health insurance risk. And what that means is—part of the reason that, typically, if you work for a big company, you get a better deal on health insurance than if you're just working for a small company is because there's a bigger pool. And that means that each of us have a certain risk of getting sick, but if that's spread

around, everybody's premiums can be lowered because the total risk for everybody is somewhat lower.

If you're self-employed, you don't have access to that same pool. And part of what we have to do—and that's where a public plan potentially comes in, or at least some mechanism to allow you to join a big pool. That will help drive down your costs immediately: your out-of-pocket costs for premiums, lower your deductibles. And what I'd like to see, as I said, is that every plan includes not only prohibitions against discriminating against people with preexisting conditions, but also every plan should have incentives for people to use preventive services and wellness programs so that they can stay healthier.

You are somebody who I think can be directly impacted and directly helped if Congress gets this thing done and gets it on my desk, I hope, by sometime in October of this year. All right?

Okay, it's a guy's turn. It's a guy's turn. All right, this gentleman in the suit.

Health Care Quality

Q. Welcome to Green Bay, Mr. President. It's an honor to have you here.

The President. Thank you, sir.

Q. My name is John Corpus. I am fortunate enough to be here with my 10-year-old daughter, who is missing her last day of school for this. I hope she doesn't get in trouble.

The President. Oh, no. *[Laughter]* Do you need me to write a note?

Q. I'll take you up on that, actually, Mr. President.

The President. All right, go ahead. I'll start writing it now. What's your name?

Q. John Corpus.

The President. No, her. *[Laughter]*

Q. Well, considering I have some people here from work that are very interested in——

The President. No, no, I'm serious though. What's your daughter's name?

Q. Her name is Kennedy.

The President. Kennedy. All right, that's a cool name. *[Laughter]*

Q. That's a very cool name, thank you.

The President. All right, I'm going to write to Kennedy's teacher. *[Laughter]* Okay, go ahead; I'm listening to your question.

Q. Thank you, sir. I work in the health system, and we work with employers; we work with payers, brokers, everybody to try to lower costs for employers. We have retail health clinics, walk-in clinics, regular primary clinics, and an emergency department. And everybody is trying to do something now, but all I'm hearing is about what's going to happen long term.

And my question is, what is a timeline that we have set up for this? What do you see happening, especially in the area of working with employers to either offer more insurance, or for the uninsured, being able to get them something now?

The President. Well, look, we're not going to be able—whatever reforms we set up, it will probably take a couple of years to get it in place.

[*The President wrote a note and handed it to Kennedy Corpus.*]

Here you go, Kennedy. There you go. You've got it. [*Laughter*]

All right. So whatever reforms we pass, we're not—it's going to take a couple of years to get all the reforms and all the systems in place. There are some things that I think we should be able to do fairly quickly, for example, the preexisting condition issue. Some of the insurance reform issues I think we should be able to get in place more rapidly.

The thing that I think we're going to have to spend the most time thinking about and really get right—and you probably know more about this than I do, because you're working with a lot of these employers and insurers and so forth—is how do we change the medical delivery systems that can either drive costs way up and decrease quality or drive costs down and improve quality?

Let me describe to you what's happening, part of the reason that Green Bay is doing a better job than some other countries—some other parts of the country. There are places where doctors typically work together as teams. And they start off asking themselves, "How can we provide the best possible care for this patient?" And because they're coordinating, they don't order a bunch of duplicative tests. And the primary care physician who initially sees the patient is in contact with all the specialists so that in one meeting they can consult with each other and make a series of decisions. And then they don't overprescribe, and they make decisions about how quickly you can get somebody out of a hospital, because oftentimes being in a hospital actually increases the incidence of infection, for example. So there are a whole series of decisions that can be made that improve quality, increase coordination, but actually lower costs.

Now, the problem is more and more what our health care system is doing is it's incentivizing each doctor individually to say, "How many tests can I perform? Because the more tests I perform, the more I get paid." And it may not even be a conscious decision on the part of the doctor; it's just that the medical system starts getting in bad habits. And it's driven from a business mentality instead of a mentality of how do we make patients better?

And so what you've got is a situation where, for example, the Mayo Clinic in Rochester, Minnesota, is famous for some of the best quality and some of the lowest cost. People are healthier coming out of there; they do great. And then you've got places—there's a town in McAllen, Texas, where costs are actually a third higher than they are at Mayo, but the outcomes are worse.

So the key for us is to figure out, how do we take all the good ideas in the Mayo Clinic and spread them all across the country so that that becomes the dominant culture for providing health care? That's going to take some time. It involves changing how we reimburse doctors. It involves doctors forming teams and working in a more cooperative way. And that's kind of a slow, laborious process.

So here's the bottom line: If we pass health care reform this year, my expectation would be that immediately, families are going to see some relief on some issues, but we will not have the whole system perfectly set up probably until, say, 4 or 5 years from now. And I think that's a realistic time frame.

But if we wait, if we said, well, you know, since we're not going to get it right right away, let's put this off until 2 or 4 or 5 years from now, it's never going to happen. That's what's been

going on for the last 50 years now; people have said we can't do it right now, and as a consequence, it never gets done. Now is the time to do it, all right?

Okay, it's a girl's turn. This young lady right there.

Preventative Care/Bipartisanship on Health Care Reform

Q. Thank you. Thank you, Mr. President. You've talked a little bit about the Government plan and the competition with other insurance companies, and we all know that in the insurance business, everything is about managing risk. And I guess I'd like to know what your vision is for how we would better manage the risk, especially if there is going to be a Government program. What's your philosophy about primary care and the role of primary care? Do you subscribe to the medical home theory? How do you engage patients in this model so that that risk can be better managed, and we can, ultimately, result in a population that has better health at a lower cost?

The President. You sound very knowledgeable. Are you in the health care system?

Q. Yes, I am. My name is Chris Woleske, and I'm with Bellin Health.

The President. Well, look, in some ways you answered your own question, because I think that the more we are incentivizing high-quality primary care, prevention, wellness, management of chronic illnesses, the I mean, one of the things that it turns out is that about 20 percent of the patients account for 80 percent of the care and the costs of the health care system. And if we can get somebody, first of all, who is overweight to lose weight so that they don't become diabetic, we save tons of money. Even after they've become diabetic, if we are working with them to manage their regimen of treatments in a steady way, then it might cost us \$150, when you prorate the costs, for a counselor to call the diabetic on a regular basis to make sure they're taking their meds, and as a consequence, we don't pay \$30,000 for a foot amputation. All right? So there are all sorts of ways that I think that we want to improve care, and that helps us manage risk.

Now, people are still going to get sick, and there are still going to be really catastrophic costs. And there have been a lot of ideas floated around in Congress: Are there ways that we can help to underwrite some of the catastrophic care that takes place, so that would help lower premiums? I'm open to a whole range of these ideas, and one of the things—one of the approaches that I've tried to take is to not just put down my plan and say, "It's my way or the highway." First of all, one of the things it turns out is Congress doesn't really like you to just tell them exactly what to do. [*Laughter*] Steve Kagen can testify to that. [*Laughter*] So it's always better to be in a collaborative mode and to listen.

But part of the reason is, it's not just the politics of it, it's also because these are genuinely complicated issues, and nobody has all the right answers. So what we have to do is to find the 80 percent of stuff that everybody agrees on, things like electronic medical records that can eliminate errors in hospitals. Because right now nurses can't read the doctors' handwriting, but if it comes out on a PDA that they're reading, then they're more likely to be accurate. And reducing paperwork—everybody agrees, there's no reason why you should have to fill out five, six, eight forms every time you go to see a doctor. Everybody knows that. Huge amounts of wasted money. Electronic billing and billing that you can understand, everybody knows that's something that needs to be done.

So there are things that can be done that Republican, Democrat, liberal, conservative, we all know need to happen. The challenge is going to revolve around, how do we deal with the 20 percent of the stuff where people disagree?

This whole issue of the public plan is a good example, by the way. I mean, right now a number of my Republican friends have said, "We can't support anything with a public option." It's not clear that it's based on any evidence as much as it is their thinking, their fear, that somehow, once you have a public plan that Government will take over the entire health care system. I mean, I'm trying to be fair in presenting what their basic concern is. And that's going to be a significant debate. And what we're trying to explain is, is that all we're trying to make sure of is, is that there is an option out there for people where the public—where the free market fails. And we've got to admit that the free market has not worked perfectly when it comes to health care, because you've got a lot of people who are really getting hurt: 46 million uninsured, a whole more—bunch of more people who are underinsured who are seeing their premiums and deductibles rise. So I think a lot of the questions you're asking, those details are exactly what we're trying to work out.

This next 8 weeks is going to be critical, though. And you need to be really paying attention and putting pressure on your Members of Congress to say, there's no excuses. If we don't get it done this year, we're probably not going to get it done. And understand, even if you're happy with your health care right now, if you look at the trends, remember what I said. Your premiums are going up three times faster than your wages and your incomes. So just kind of extrapolate, think about what does that mean for you 5 years from now or 10 years from now? If nothing changes, then you, essentially, are going to be going more—deeper and deeper into your pocket to keep the health care that you've got. And at some point, your employers may decide, we just can't afford it. And there are a lot of people where that's happened, where their employers suddenly say, either you can't afford it or you've got to pay a much bigger share of your health care.

So don't think that somehow just by standing still, just because you're doing okay now, that you're going to be doing good 5 years from now. We've got to catch the problem now before it overwhelms our entire economy.

All right, it's a guy's turn. It's a guy's turn. This gentleman right here, right there in the blue shirt. There you go.

Education Reform

Q. I don't know if I need a microphone or not——

The President. Oh, you got a good voice, but we still want to give you a microphone. Hold on a second. Where's my mike people? Here we go.

Q. My name is Matt Stein. I'm a teacher. I've been in education for almost 20 years.

The President. Thank you, Matt. What do you teach? What do you teach?

Q. I teach at North Central Area schools in the Upper Peninsula of Michigan.

The President. Outstanding.

Q. UP, baby! [*Laughter*]

Q. UP power, Yoopers. [*Laughter*]

The President. Is that what you call yourselves, Yoopers?

Q. Yes. [*Laughter*]

The President. Okay, that's cool. All right.

Q. Proudly we call ourselves Yoopers. [*Laughter*]

One of the things that I've learned in education in the last 20 years is that the system is not broken. And it bothers me when I hear politicians, and even my President, say that our educational system is broken. Not to insult you, but——

The President. I don't feel insulted.

Q. Good. This system works in cases. There are great things happening in Green Bay and Appleton and all over the UP. And there are things that can be reproduced. My question is, when will the focus be on reproducing those things—smaller classrooms, creating communities in your classrooms—and moving the focus away from single-day testing and test-driven outcomes?

The President. Well, all right—well, let me, first of all, thank you for teaching. My sister is a teacher, and I think there is no more noble a profession than helping to train the next generation of Americans.

I completely agree with you that there is a lot of good stuff going on in American education. The problem is, is that it's uneven. And, well, let me put it this way. There are actually two problems. In some places, it is completely broken. In some urban communities, where you've got 50 percent of the kids dropping out, you only have 1 out of every 10 children who are graduating at grade level, this system is broken for them.

Q. You have crime—[*inaudible*].

The President. Well, I'm going to get to that. I mean, we can't have too big of a debate here. You got your question. [*Laughter*] Don't worry, though, I'm going to answer your question.

So there are some places where it really is completely broken. And there, yes, a lot of it has to do with poverty and families that are in bad shape. And there are all kinds of reasons. And yet, even there, there are schools that work. So the question is, why is it that some schools are working and some schools aren't, even in the worst circumstances, and why don't we duplicate what works in those schools so that all kids have a chance?

Now, in other places, Green Bay and Appleton and many communities throughout Wisconsin and Michigan, the average public school is actually doing a reasonably good job. But can I still say that even if you factor out the urban schools, we are falling behind when it comes to math; our kids are falling behind when it comes to science. There—we have kind of settled into mediocrity when we compare ourselves to other advanced countries and wealthy countries. That's a problem because the reason that America over the last hundred years has consistently been the wealthiest nation is because we've also been the most educated nation.

It used to be by a pretty sizable factor: We had the highest high school graduation rates; we had the highest college graduation rates; we had the highest number of Ph.D.s, the highest number of engineers and scientists. We used to be head and shoulders above other countries when it came to education. We aren't anymore. We're sort of in the middle of the pack now among wealthy, advanced, industrialized countries.

So even with the good schools, we've got to pick up the pace, because the world has gotten competitive. The Chinese, the Indians, they're coming at us, and they're coming at us hard. And they're hungry, and they're really buckling down. And they watch our kids—their kids watch a lot less TV than our kids do, play a lot fewer video games; they're in the classroom a lot longer.

So here's the bottom line: We've got to improve; we've got to step up our game, which brings me to the next point in your question, which is, how do we do that? I agree with you that if all we're doing is spreading around a lot of standardized tests and teaching to the test, that's not improving our education system. All right?

And so there's a saying in Illinois I learned when I was down in a lot of rural communities. They said, "Just weighing a pig doesn't fatten it." [*Laughter*] You can weigh it all the time, but it's not making the hog fatter. So the point being, if we're—all we're doing is testing and then teaching to the test, that doesn't assure that we're actually improving educational outcomes.

We do need to have accountability, however. We do need to measure progress with our kids. Maybe it's just one standardized test, plus portfolios of work that kids are doing, plus observing the classroom. There can be a whole range of assessments, but we do have to have some kind of accountability, number one.

Number two, we do have to upgrade the professional development for our teachers. I mean, we still have a lot of teachers who are—we've got a lot of teachers who are well-meaning, but they're teaching science, and they didn't major in science, and they don't necessarily know science that well. And they certainly don't know how to make science interesting. So we've got to give them the chance to train and become better teachers. We've got to recruit more teachers, train them better, retain them better, match them up with master teachers who are doing excellent work so that they are upgrading their skills.

If after all that training, the teacher is still not very good, we've got to ask that teacher, probably, there are a lot of other professions out there; you should try one. I mean, I'm just being blunt, but we're going to have to pick up the pace.

Now, the key point I want to make is this: We should focus on what works, based on good data. And Arne Duncan, my Secretary of Education, this guy is just obsessed with improving our education system. He is focused a hundred percent on it, and he is completely committed to teachers. He—we think that teachers are the most important ingredient in good schools. We're going to do whatever works to help teachers do a better job. We're going to eliminate those things that don't help teachers do a good job. Some of it is going to require more money, so in our Recovery Act, we had more money for improving curriculums, teacher training, recruitment, a lot of these things. But you can't just put more money without reform, and so some of it is demanding more accountability and more reform.

There's one other ingredient, though, and that is parents. We've got to have parents putting more emphasis on education with our kids. That's how we're all going to be able to pick up our game.

So, all right, I've got time for one more question, and I'm going to go with this young lady right here who's got a picture of me, I guess. [*Laughter*]

Q. We're very strong supporters of you. We followed you at the campaign rally back in September. I took my 5-month-old son. His name is Daniel Clay Stevens, and he's enrolled in the Oneida Nation of Indians of Wisconsin.

The President. There you go.

Q. And we were fortunate enough that you got to hold him. You actually called him "adorable"; I don't know if you remember.

The President. I'm sure he was. [Laughter] I do.

Q. I was just wondering if you'd be able to sign this for me. Okay. Thanks.

The President. Well, I can sign that, yes. I'll ask—I'll get one more question. I'll be happy to sign it. So it's a young lady, sir. Everybody is pointing at this young lady, so she must be really important—[laughter]—or very popular.

Personal Responsibility for Health Care/Health of the Youth

Q. Well, my name is Jean Marsh. I am the president of the Green Bay School Board, and I'm also a registered nurse, and I work at Saint Vincent Hospital. My question centers on wellness and personal responsibility for one's health care. Could you talk about how your reforms would incorporate wellness and encouraging people to take more responsibility for their own health care?

The President. Yes. Well, I think it's a great question. For those of you who are—still have employer-based care, one of the things that we've been doing is meeting with companies who are really doing some innovative things to encourage their employees to get well. So—and some of it involved financial incentives. So these employers, they'll say, you know what, we provide for your health insurance, but if you quit smoking, you will see money in your pockets in the form of lower premiums; if you lose weight, you will see an incentive, money in your pocket. Then they set up gyms or arrange for club memberships for their employees. Then what they do is they set up a computerized system so you can check your progress on an ongoing basis, just by logging on through the company.

So there are a whole range of steps that a lot of employers are taking to help encourage that, and what we want to do is to work with those employers to give every company an incentive to do the right thing with their employees.

Now, for those who don't have an employer-based system, or they're going through Medicare or Medicaid or what have you, any time that we can reimburse for preventive care—getting a regular mammogram or a pap smear or just having a regular checkup for colon cancer—to the extent that we are encouraging reimbursements on those items, then hopefully, people will utilize them more.

But I think that this is extraordinarily important. We can all take steps to become healthier. And there's nothing wrong with us giving a little bit of a nudge in moving people in the direction of healthier lifestyles.

But look, the—it's hard, and changing habits are hard, and it starts with our children, which is why, as a part of our overall health care reform, we've also got to talk about, for example, our school lunch programs. If—and, you know, you're at the head of a school board, as well as a nurse; I know you're struggling with this. The cheapest way to feed all the kids is to have the frozen tater tots, and you get them out, and you heat them up, and then you've got pizza and fries. And then the soda companies, they all say, "We'll put in a free soda machine in there so the kids can have as much soda as they want." And pretty soon our kids are seeing their rates of type 2 diabetes skyrocket. They're not getting the exercise, because a lot of

schools are running out of money when it comes to PE. Kids are sitting in front of the TV all day long.

Michelle and I always used to talk—when we were kids, folks our age and over will remember this—[*laughter*]*—basically, your folks, like, especially during the summer, you would leave at 8, and then maybe you came home for some lunch, and then you'd be gone until dark, and you'd come back in. And that whole time you were out there running around. Well, kids aren't doing that. Now, some of it is safety issues, and that's why public safety is important; having playgrounds is important; having adults who are willing to volunteer for Little League and basketball leagues, and all—that's all important. But we've got to get our children into healthier habits. That in turn will lead to healthier adults.*

And so Government can't do all of this. I'm the first one to acknowledge this. That's why I'm always puzzled when people—they go out there creating this bogeyman about how, you know, "Obama wants Government-run"—I don't want Government to run stuff. Like I said, I've got enough stuff to do. [*Laughter*] I've got North Korea, and I've got Iran. And I've got Afghanistan and Iraq. And I don't know where people get this idea that I want to run stuff or I want Government to run stuff. I would—I think it'd be great if the health care system was working perfectly, and we didn't have to be involved at all. That would be wonderful. That's not how it's worked. We've got a 50-year experiment in that. It's not worked well.

So I actually think that if everybody has a pragmatic attitude about this problem, they say, we're all going to have to do our part; families are going to have to do their part by being healthier; employers do their parts by encouraging their employees to be healthier; Government doing its part by making sure that those people who are working very hard but still don't have health insurance or their premiums are getting too sky-high, that they're getting some—a hand up; insurance companies, drug companies doing their parts by not price gouging or trying to cut people out of the system; if—hospitals adopting best practices—if we're doing all those pieces, then we can start bending this cost curve down.

And that's one last point I want to make, because what you'll hear during this debate over the next several weeks is people will also say the deficit and the debt are skyrocketing, and that's the reason why we can't afford to do health reform. So I just want to repeat: The single biggest problem we have in terms of the debt and the deficit is health care; it's Medicare and Medicaid. That is—when you hear all these projections about all these trillions of dollars and red ink going out as far as the eye can see, almost all of that is because of the increase in Medicare and Medicaid costs that are going up much, much faster than inflation.

It's undoubtedly true that this economic crisis has hurt our budget situation, because again, a lot less money is coming in from corporate taxes, sales taxes, et cetera. So that reduces the amount of money coming in at the same time as we're having to put a lot more money out for food stamps and for unemployment insurance and all kinds of other help that people need when they get thrown out of their jobs; subsidizing COBRA so they can keep their health care. That's contributed to some of it.

Some of it is that I have proposed some investments in education and in energy and in health information technologies. But there was just an article in the New York Times yesterday that showed that all that stuff, everything that I've proposed—my stimulus package, what we've done in terms of bailing out the financial system, all that stuff—that accounts for maybe 7, 8 percent of what you've seen in terms of increased debt and deficits. The real problem is Medicaid and Medicare. That's the nightmare scenario. If we can bend the curve, the cost curve down so that health care inflation is no more than ordinary inflation, it's matching up

with the amount of increases that you're seeing on your paychecks, in your wages and your incomes, then we're going to be okay. And if I—we don't get a handle on it, we're not going to be okay. It doesn't matter, you know, that we eliminate earmarks or do all that other stuff. That won't make any difference; we'll still be consumed by huge debt for the next generation.

That's why it's so important, that's why we're going to get it done, that's why I need your help, Green Bay. Thank you, everybody. God bless you.

NOTE: The President spoke at 12:07 p.m. at Southwest High School. In his remarks, he referred to cancer patient Laura Klitzka, who introduced the President, her husband Pete, and their children Taylor and Logan; and Mary Pat Mallien, teacher, Aldo Leopold Community School. He also referred to his sister Maya Soetoro-Ng.

Categories: Addresses and Remarks : Health care reform :: Green Bay, WI.

Locations: Green Bay, WI.

Names: Barrett, Tom; Corpus, John; Corpus, Kennedy; Davis, Bryan; Doyle, Jim; Duncan, Arne; Feingold, Russell D.; Garren, Paulette; Kagen, Steven; Klitzka, Laura; Klitzka, Logan; Klitzka, Pete; Klitzka, Taylor; Kohl, Herbert H.; Lawton, Barbara; Maass, Greg; Mallien, Mary Pat; Marsh, Jean; Obama, Michelle; Perry, Grant; Schmitt, James J.; Soetoro-Ng, Maya; Stein, Matt; Stevens, Daniel Clay; Woleske, Chris.

Subjects: Agriculture, Department of : Food Stamp program; Budget, Federal : Deficit; Budget, Federal : Government programs, spending reductions; Budget, Federal : National debt; Business and industry : Preventive health and wellness, employer-based incentives; Business and industry : Small and minority businesses; Economy, national : American Recovery and Reinvestment Act of 2009; Economy, national : Credit markets, stabilization efforts; Economy, national : Recession, effects; Education : Global competitiveness; Education : Parental involvement; Education : School lunch programs, improvement efforts; Education : Science and math programs; Education : Standards and school accountability; Education : Teachers; Education, Department of : Secretary; Employment and unemployment : Unemployment insurance; Health and medical care : Cost control reforms; Health and medical care : Employer-based health insurance coverage; Health and medical care : Exercise; Health and medical care : Health Insurance Exchange, proposed; Health and medical care : Health insurance, protection of coverage; Health and medical care : Information technology; Health and medical care : Insurance coverage and access to providers; Health and medical care : Medicare and Medicaid; Health and medical care : Physicians :: Medicare and Medicaid reimbursement; Health and medical care : Preventive care and public health programs; Sports : Football; Taxation : Tax Code :: Reform; Wisconsin : Governor; Wisconsin : Lieutenant Governor; Wisconsin : President's visit.

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